BRITISH COLUMBIA
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BC STATS

Service BC
Ministry of Labour & Citizens' Services

Infoline

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May 25th, 2007

- **Exports rise in first quarter, but manufacturing shipments inch down**
- **More than 173,000 new work-related injuries reported in 2006**
- **Greenhouse industry continues to grow in 2006**

The Economy

- **Production at BC sawmills was 9.1% lower in March than in the same month of 2006.** Mills in coastal regions of the province posted a particularly large decline (-27.0%), but production from Interior mills (-6.0%) was also down. Canadian production was off 12.0%, as volume decreased in most of the big lumber-producing provinces. *Data Source: Statistics Canada*

First Quarter in Review

- **Exports of BC products climbed (+1.9% *seasonally adjusted*) during the first quarter, after inching up (+0.5%) at the end of last year.** The rise in exports was largely due to increased shipments south of the border (+6.0%) which resulted mostly from a spike in energy product exports (+28.2%). Exports to destinations other than the US were down 4.1% over previous quarter levels.

  Canadian exports increased 4.3% during the first quarter, boosted by strong growth in Manitoba and Saskatchewan, together with a more modest increase in Ontario.

  Data Source: Statistics Canada & BC Stats

- **BC manufacturers shipped $10.4 billion (*seasonally adjusted*) worth of goods in the second quarter, 0.4% less than in the previous quarter.** The wood (-4.6%) and primary metals (-9.8%) industries lost substantial ground, contributing to a fourth consecutive quarterly decline in the value of total durable shipments (-2.6%).

  Producers of paper products saw shipments rise (+5.2%), while shipments by food manufacturers fell (-3.4%) in the first quarter. In total, producers of non-durables shipped 2.5% more than in the previous quarter.

  Data Source: Statistics Canada

Work Safe

- **A total of 173,014 new work-related injuries were reported to the Workers' Compensation Board last year, a 5.3% increase from the claims reported in 2005.** There were 274 work-related fatalities in 2006, 15 more than in the previous year. Although the number of work-related injuries reported last year was higher than in 2005, they remained significantly lower than in 2000, when 181,631 people were injured on the job.

  Data Source: Statistics 2006, WorkSafeBC

Agriculture

- **The area in BC dedicated to growing greenhouse products continued to expand in 2006, reaching 55 million square feet. Sales of greenhouse, sod and nursery products grown in the province exceeded $570 million last year, up from $495 million in 2005.** BC's greenhouse, sod and nursery industry is the second biggest in the country, after Ontario, where sales reached nearly $1.3 billion last year. The national total was $2.3 billion. As in other parts of the country, ornamental plants and flowers accounted for the biggest share of total revenues in BC, with sales adding up to $318 million in 2006. The primary markets for these products were domestic wholesalers ($72 million) and mass market chain stores ($70 million). However, a further $32 million dollars worth of flowers and plants went to retail florists, $32 million worth was sold directly to the public and exports of these products reached $38.0 million. Greenhouse fruit & vegetable sales (primarily tomatoes, peppers and cucumbers) by BC producers were valued at $253 million in 2006. *Data Source: S. C. Cat. #82-003-XIVE*

Divorce and Depression

- **Recently divorced Canadians are more likely to report bouts of depression than are those**

Report Visitor Entries and Other Indicators in 2006

Did you know...
Americans spend approximately US$6 billion a year on lawn care. *Source: Garden Digest*

who stay in relationships. Among Canadians aged 20 to 64 who were no longer in a relationship, 12% reported a new episode of depression in the two years following the end of a marriage or common-law relationship, compared to just three percent of those who remained in a relationship.

While both men and women had higher odds of having an episode of depression in the two years following the end of a marriage or common-law relationship, men appear to take the separation harder. Men who were divorced or separated were six times more likely to report an episode of depression than men who remained married. On the other hand, women who had undergone marital break-ups were 3.5 times more likely to have had bouts of depression than those who were still in relationships. Nineteen percent of men who were no longer with their spouse reported a decline in social support, compared to only six percent who stayed in the relationship. Among women, the proportions were eleven and five percent, respectively. *Data Source: S. C. Cat. #82-003-XIVE*

Mortality

- **In 2004, there were 29,923 deaths in BC (15,281 males and 14,642 females).** This made for an age-standardized mortality rate of 537 deaths per 100,000 population, lower than that of the Canadian average (572 deaths per 100,000 population). Cardiovascular disease and cancer remained the two main causes of death in the province as well as in Canada as whole. Between 1979 and 2004, the number of deaths due to cardiovascular disease dropped sharply, while deaths due to cancer climbed. Between 2000 and 2004, more females than males died of cardiovascular disease (2,297, or 1% more female deaths), while more males were killed by cancer (18,824, or 12% more male deaths).

  Data Source: S. C. Cat. #84F0209XIE

Teenagers

- **In 2005, Canadian teenagers aged 15 to 19 carried out an average of 7.1 hours of unpaid and paid labour per day.** Teens averaged a 9.2 hour workday (including school work, homework, housework and paid work) on weekdays and 3.5 hours on weekends. Next to attending school, homework was the most time-consuming unpaid activity for teens, with 60% achieving an average of 2 hours and 20 minutes daily. Forty percent of Canadian teens did housework daily, averaging about an hour.

  Many teenagers (39%) felt under pressure to accomplish more than they could handle, and nearly two-thirds (64%) cut back on sleep to get things done. Some (16%) even considered themselves to be workaholics. Family type, cultural background, and community size were among factors influencing the amount of work teens undertake. For example, boys with Canadian-born parents did significantly less homework than girls in similar families, and less than either girls or boys with immigrant parents. *Data Source: S.C. Cat. #75-001-XIVE*

Energy

- **BC's warmer-than-normal temperatures contributed to a decrease in natural gas sales in Canada's residential sector in March.** Overall, national sales totalled nearly 7,800 million cubic metres, up 6.1% from the same month of 2006. Sales jumped 15.0% in the Canadian industrial sector while the commercial (-1.6%) and residential (-1.4%) saw reduced sales.

  Data Source: Statistics Canada

The Nation

- **The Canadian index of leading economic indicators rose 0.4% (*seasonally adjusted*) in April.** Gains in new orders for durable goods (+0.9%) and increases in the stock price index (+1.0%) led the advance. Eight of the ten indicators in the index advanced or were unchanged in April. *Data Source: Statistics Canada*

- **Corporations in Canada earned record high operating profits in excess of $63 billion (*seasonally adjusted*) in the first quarter of 2007, an increase of 2.9% over the previous quarter.** This increase marked the ninth gain in the past ten quarters. Profit margins for non-financial industries were on the rise (+5.1% to $46.2 billion) and operating returns for manufacturers advanced 7.4%. The financial industries did not fare as well with profits dipping 2.5% to $17.6 billion. *Data Source: Statistics Canada*

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For data originating from Statistics Canada, data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the catalogue number.

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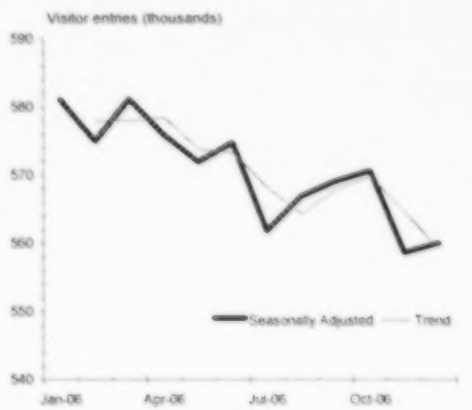
Originally published in
Tourism Sector Monitor Issue 07-04

Visitor Entries and Other Indicators in 2006

The long-run downward trend in visitor entries continued in 2006 as the number of visitor entries to Canada via BC fell 5.2% to about 6.8 million, the lowest number in more than a decade. Entries were weak throughout the year, with all four quarters showing overall declines and down 19.3% since 2000.

Downward trend in visitor entries continues in 2006



Data Source: Statistics Canada

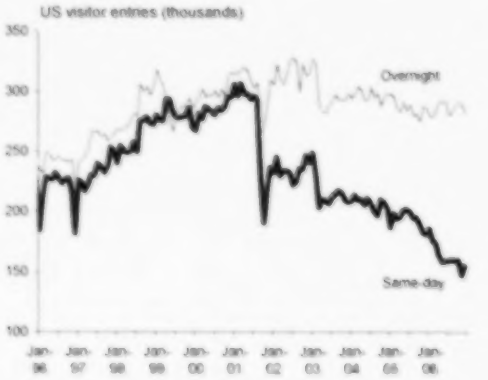
US entries continued to fall for the sixth consecutive year since 2001

Accounting for the largest source of foreign visitors to the province, the US is a major tourism market. The number of visitors from the US has been declining every year since 2001 and continued to fall (-6.5%) in 2006 with same-day entries dropping dramatically (-15.8%) and overnight travel off slightly (-0.2%).

Last year's count of 1.9 million same-day visitors from the US was the lowest level since 1989. In 2006, overnight travel from the US remained relatively unchanged at 3.4 million visitors.

Prior to 2001, the number of same-day trips was only slightly lower than the number of overnight stays. In 2006, the number of overnight visitors was nearly twice that of same-day travellers. The gap between overnight and same-day entries has grown since the end of 2001, reaching 1.5 million in 2006.

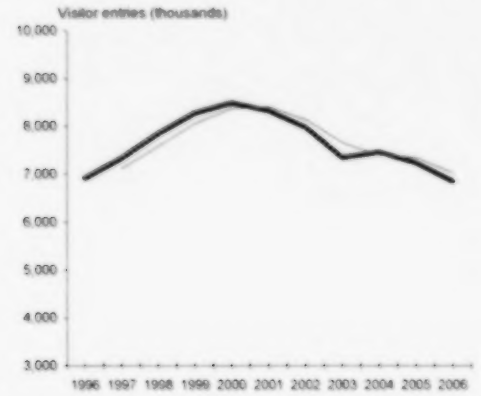
A growing gap between the US same-day and overnight travel



Data Source: Statistics Canada

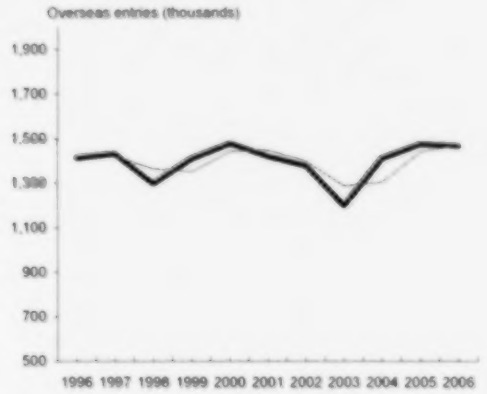
Ongoing security concerns, which have resulted in longer line-ups and delays at border crossings since September 2001, may have made same-day travel less appealing to potential and formerly frequent visitors from the US. Additionally, an appreciation in the value of the Canadian dollar has increased the cost of travel to BC from the US and made activities such as shopping and sightseeing trips less of a bargain. All of this, coupled with the rapidly rising cost of gasoline, may be keeping some American travellers away from the province.

Entries trending down since 2000



Data Source: Statistics Canada

Recent growth in overseas visits slows in 2006



Data Source: Statistics Canada

Overseas travel to BC only slightly off in 2006

Travel to BC from overseas markets was down slightly (-0.5%) in 2006, a slowdown following increases recorded in 2004 (+17.6%) and in 2005 (+4.6%). A decline in the number of travellers from Europe (-0.2%), Asia (-0.9%), and Oceania (-1.5%) was also observed in 2006.

Entries started the year weak in January, but recovered quickly through the first quarter. From there and throughout the rest of the year the number of visitors ebbed and flowed from month to month, with the third quarter showing a net loss in the number of travellers to BC. These losses were finally recovered with a late end-of-year increase in December (+1.6%).

The number of entries from Asia was off slightly (-0.9%) in 2006. The most significant change in Asian entries was a sharp decline (-10.5%) in the number of travellers from Japan. Entries from South Korea, the second largest Asian market after Japan, were up (+4.6%), but residents of Taiwan (-6.5%) paid fewer visits to BC while the number of guests from Hong Kong increased only marginally (+0.3%).

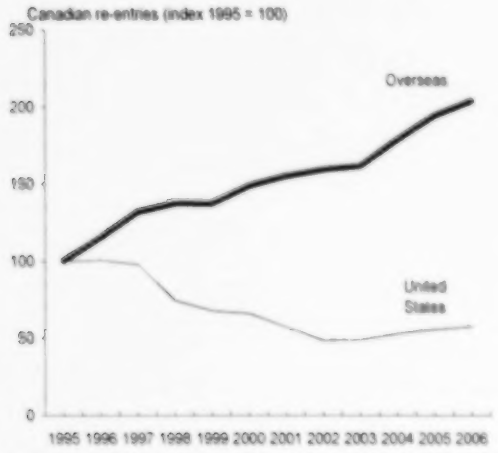
European entries were down slightly (-0.2%) to 493,000 in 2006, as the number of guests from the UK (-2.0%) and Germany (-3.3%) fell. BC also saw fewer (-1.5%) arrivals from Oceania (Australia, New Zealand, and other parts of the South Pacific).

More Canadians return home from overseas travels

The number of Canadians re-entering the country via BC advanced (+3.6%) in 2006. Travel to overseas destinations has been trending upward over the past decade as Canadians explore the world beyond North America. Overseas travel has more than doubled (+104.0%) between 1995 and 2006 with the number of entries rising 4.9% to almost 1.2 million travellers in 2006.

Since 1995, the number of Canadians returning home from visits to the US has nearly halved (-42.2%). However, this downward trend began to increase in 2003, likely due to the ongoing appreciation of the Canadian dollar against the US greenback. In 2006, the number of Canadians returning from the US rose 3.4%.

Canadian re-entries from overseas have doubled between 1995 and 2006, while re-entries from US have nearly halved



Data Source: Statistics Canada

Other Annual Indicators

In the hotel industry, the occupancy rate increased by 1.9 percentage points to 66.0% in 2006, while average room prices rose 5.5%, to $122.88.

Despite the downturn in international visitor entries in 2006, airport traffic statistics continued to increase. Passenger traffic at Vancouver airport rose to over 16.9 million travellers, 3.1% higher than in 2005, with higher volumes on most types of flights. US trans-border (+3.7%) and domestic traffic (+4.4%) all increased, with the decrease in the number of passengers on other international flights being relatively small (-0.1%). Victoria airport welcomed 1.4 million travellers, a 5.4% increase from 2005.

Traveller Entries to Canada via BC (000s)

Period	International								Canadian		
	Total	USA			Overseas				Total	US	Overseas
		Total	Same-day	Overnight	Total	Asia	Europe	Oceania*			
1996	6,907	5,494	2,612	2,883	1,412	778	468	116	13,710	13,039	671
1997	7,323	5,893	2,798	3,094	1,430	798	449	122	13,428	12,660	767
1998	7,845	6,549	3,124	3,425	1,296	653	449	118	10,451	9,652	800
1999	8,269	6,862	3,370	3,492	1,408	716	485	126	9,588	8,789	799
2000	8,482	7,006	3,407	3,599	1,476	759	498	134	9,435	8,569	866
2001	8,313	6,895	3,258	3,637	1,418	732	466	132	8,329	7,426	903
2002	7,971	6,596	2,808	3,788	1,375	764	412	118	7,197	6,270	928
2003	7,335	6,137	2,581	3,557	1,198	578	410	125	7,285	6,343	942
2004	7,448	6,039	2,478	3,562	1,409	716	458	144	7,847	6,806	1,040
2005	7,225	5,751	2,314	3,436	1,474	724	494	157	8,356	7,225	1,131
2006	6,846	5,380	1,950	3,430	1,466	717	493	155	8,659	7,473	1,186
	Percentage Change										
1996	9.6	6.6	3.4	9.5	25.5	39.9	11.7	28.3	-0.4	-1.1	5.1
1997	6.0	7.2	7.1	7.3	1.3	2.5	-3.9	4.9	-2.1	-2.9	14.4
1998	7.1	11.1	11.7	10.7	-9.4	-18.2	0.1	-3.1	-22.2	-23.8	4.2
1999	5.4	4.8	7.9	2.0	8.6	9.7	7.8	6.6	-8.3	-8.9	-0.1
2000	2.6	2.1	1.1	3.1	4.8	6.0	2.8	6.2	-1.6	-2.5	8.5
2001	-2.0	-1.6	-4.4	1.1	-3.9	-3.6	-6.4	-1.4	-11.7	-13.3	4.2
2002	-4.1	-4.3	-13.8	4.2	-3.0	4.4	-11.7	-10.5	-13.6	-15.6	2.7
2003	-8.0	-7.0	-8.1	-6.1	-12.9	-24.4	-0.4	5.8	1.2	1.2	1.5
2004	1.5	-1.6	-4.0	0.1	17.6	23.9	11.7	15.6	7.7	7.3	10.4
2005	-3.0	-4.8	-6.6	-3.5	4.6	1.1	7.8	8.9	6.5	6.1	8.7
2006	-5.2	-6.5	-15.8	-0.2	-0.5	-0.9	-0.2	-1.5	3.6	3.4	4.9

BC Ferries carried marginally fewer vehicles (-0.1%), while passenger volumes on board inched lower (-0.5%) as well. On the Coquihalla Highway, 1.3% fewer passenger vehicles passed through tollbooths last year.

Employment in key tourism-related industries improved (+5.1%) in 2006, with increases seen in all sectors. Air transport (+4.0%), food and beverage (+4.7%) arts, entertainment and recreation (+5.8%), and accommodation (+6.5%) industries all hired more workers.

In BC, restaurant and tavern receipts surged 6.7% to over $6.5 billion in 2006 with a 9.6% increase in sales at food services establishments, offsetting a dramatic 21.2% drop in receipts at drinking places.

Other Tourism Indicators (annual)

	2006	Change from 2005
Hotel Industry		
Occupancy rate (%)	66.0	1.9 pp
Average room charge ($)	122.88	5.5%
(Pannell Kerr Forster)		
Airport Passengers	**(000s)**	**(%)**
Vancouver International Airport		
Total traffic	16,929	3.1
US (trans-border)	4,257	3.7
Other International	3,960	-0.1
Canada (domestic)	8,712	4.4
(YVR)		
Victoria International Airport	1,390	5.4
Total traffic		
(Victoria Airport Authority)		
Restaurant Receipts	**($ millions)**	**(%)**
All establishments	6,544.1	6.7
Food service	6,094.9	9.6
Drinking places	449.2	-21.2
(Statistics Canada)		
Transportation	**(000s)**	**(%)**
Coquihalla Highway		
Passenger Vehicles	2,601	-1.3
(Ministry of Transportation & Highways)		
BC Ferries		
Vehicle Volume	8,530	-0.1
Passenger Volume	21,689	-0.5
(BC Ferries)		

Note pp. percentage points

Conclusion

While the tourism sector in BC has seen a downturn in the number of international travellers from the US and overseas, a rise in hotel occupancy rates, room revenues and tourism-related employment indicates that the province's tourism sector is performing better overall.

While comprehensive provincial tourism data for 2006 are not available, this scenario seems quite plausible when examined on the national level. The Canadian Tourism Commission reports that while foreign tourism expenditures in Canada were down 1.8%, domestic tourism spending rose 10.0% in 2006 to $49.7 billion leading total expenditures to $66.9 billion, an increase of 6.7%.

This suggests that while Canada and, by implication, BC cannot neglect the importance of American and overseas visitors it is growth in domestic travel, either inter- or intraprovincial, that was fundamentally supporting the tourism sector in BC in 2006.

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also on the Internet at www.bcstats.gov.bc.ca

BC at a glance . . .

POPULATION (thousands)	Jan 1/07	% change on one year ago
BC	4,338.1	1.3
Canada	32,777.3	1.0
GDP and INCOME (Released Apr 25)		
(BC - at market prices)	2006	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	179,701	6.4
GDP *($ 1997 millions)*	150,741	3.6
GDP *($ 1997 per Capita)*	34,971	2.3
Personal Disposable Income *($ 1997 per Capita)*	21,984	4.8
TRADE ($ millions, seasonally adjusted)		% change on prev. month
Manufacturing Shipments - Mar	3,472	1.5
Merchandise Exports - Mar	2,824	4.0
Retail Sales - Mar	4,624	1.4
CONSUMER PRICE INDEX	% change on one year ago	12-month avg % change
(all items - Apr 2007)		
BC	1.9	1.9
Vancouver	2.3	2.2
Victoria	1.3	1.5
Canada	2.2	1.8
LABOUR FORCE (thousands)	Apr '07	% change on prev. month
(seasonally adjusted)		
Labour Force - BC	2,354	-0.1
Employed - BC	2,249	-0.7
Unemployed - BC	105	13.9
		Mar '07
Unemployment Rate - BC *(percent)*	4.4	3.9
Unemployment Rate - Canada *(percent)*	6.1	6.1
INTEREST RATES (percent)	May 23/07	May 24/06
Prime Business Rate	6.00	5.75
Conventional Mortgages - 1 year	6.75	6.25
- 5 year	6.84	6.75
US/CANADA EXCHANGE RATE	May 23/07	May 24/06
(avg. noon spot rate) Cdn $	1.0818	1.1229
US $ *(reciprocal of the closing rate)*	0.9241	0.8931
AVERAGE WEEKLY WAGE RATE	Apr '07	% change on one year ago
(industrial aggregate - dollars)		
BC	748.06	3.8
Canada	740.73	2.3

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

Regional Employment Projections

BC Stats, with the financial assistance of the Ministry of Advanced Education, developed the Regional Employment Projection Model (REPM), designed to project industrial and occupational employment in regions of the Province of British Columbia. The model projects employment at the Regional District level and then aggregates back up to the College Region for reporting purposes.

www.bcstats.gov.bc.ca/data/lss/repm.asp

Socio-Economic Profiles & Indices

The 2006 edition of these widely-monitored reports provide the most complete and up-to-date basis for measuring and comparing the social and economic dimensions of regions in the province. Released April 4.

www.bcstats.gov.bc.ca/data/sep/index.asp

High Technology Sector—2006

The high technology sector is a growing part of British Columbia's diverse economy, offering the prospect of strong economic growth in the years to come, as well as a local source of technology inputs to the province's resource-based industries.

Our latest *Profile* and *Input Indicators* reports are now available.

www.bcstats.gov.bc.ca/data/bus_stat/busind/hi_tech.asp

Released this week by BC STATS

- Earnings & Employment Trends, April 2007

Next week

- Business Indicators, May 2007
- Current Statistics, May 2007
- Tourism Sector Monitor, May 2007

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